

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7129

BILL NUMBER: HB 1361

NOTE PREPARED: Jan 9, 2006

BILL AMENDED:

SUBJECT: Children of veterans' educational benefits.

FIRST AUTHOR: Rep. Brown C

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the Indiana Department of Veterans' Affairs may not make a determination that an applicant is not eligible for a tuition exemption based solely on the fact that the applicant is a dependent of a veteran who received a disability rating of zero percent from the United States Department of Veterans Affairs.

Effective Date: July 1, 2005 (retroactive).

Explanation of State Expenditures: The federal government classifies disabled veterans as a percentage of disability from 0% to 100%. A 0% disability means that the veteran has a physical problem or the potential for one, but the federal government does not consider it significant enough for compensation. The classification could change if the problem becomes worse. The Indiana Department of Veterans' Affairs (IDVA) has approved fee remission for dependents of veterans with 0% disabilities. The Budget Bill (P.L. 246-2005) requires that IDVA only consider new applications for fee remission from dependents of veterans with disabilities greater than 0%. Approximately 10.1% of the veterans were classified as 0% disabled, accounting for about 10.2% or approximately \$1.5 M in fee remissions in FY 2004.

If the dependents of veterans with 0% disability were equally distributed, then the impact would be about \$750,000. The bill appropriates sufficient General Fund money to pay the additional fee remission costs.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Student Assistance Commission.

Local Agencies Affected:

Information Sources: Nick Vesper, State Student Assistance Commission, 317-233-5094.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.